



SOCIAL BUSINESS VS CORPORATE SOCIAL RESPONSIBILITY

SOCIAL BUSINESS AS A VALUE

Train the
trainers

The RESIST project is co-financed by the European Union (European Regional Development Fund) under the Interreg Baltic Sea Region Programme.



01. SOCIAL BUSINESS: DEFINITION

02. CORPORATE SOCIAL RESPONSIBILITY: DEFINITION,
MEANING, TYPOLOGY

03. SIMILARITIES BETWEEN SB AND CSR

04. DIFFERENCES BETWEEN SB AND CSR

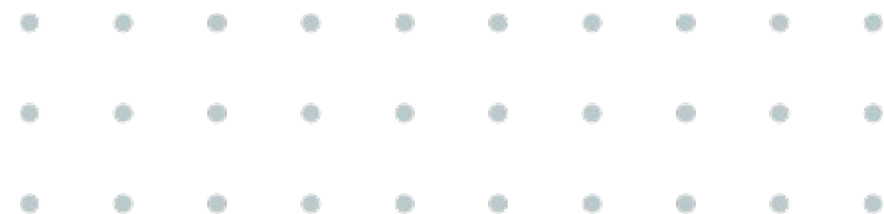


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WHAT IS SOCIAL BUSINESS

Created and designed to
address a social problem

Financially-self sustainable

Profits are reinvested in
the business itself



CORPORATE SOCIAL RESPONSIBILITY

A self-regulating business model that helps a company be socially accountable to itself, its stakeholders and the public.



WHAT SOCIALLY RESPONSIBLE MEANS

Organizations are often guided by a concept which dictates that a business should be committed to measuring its social and environmental impact, sustainability efforts, and profits.

A measure of success in today's world includes corporate social responsibility



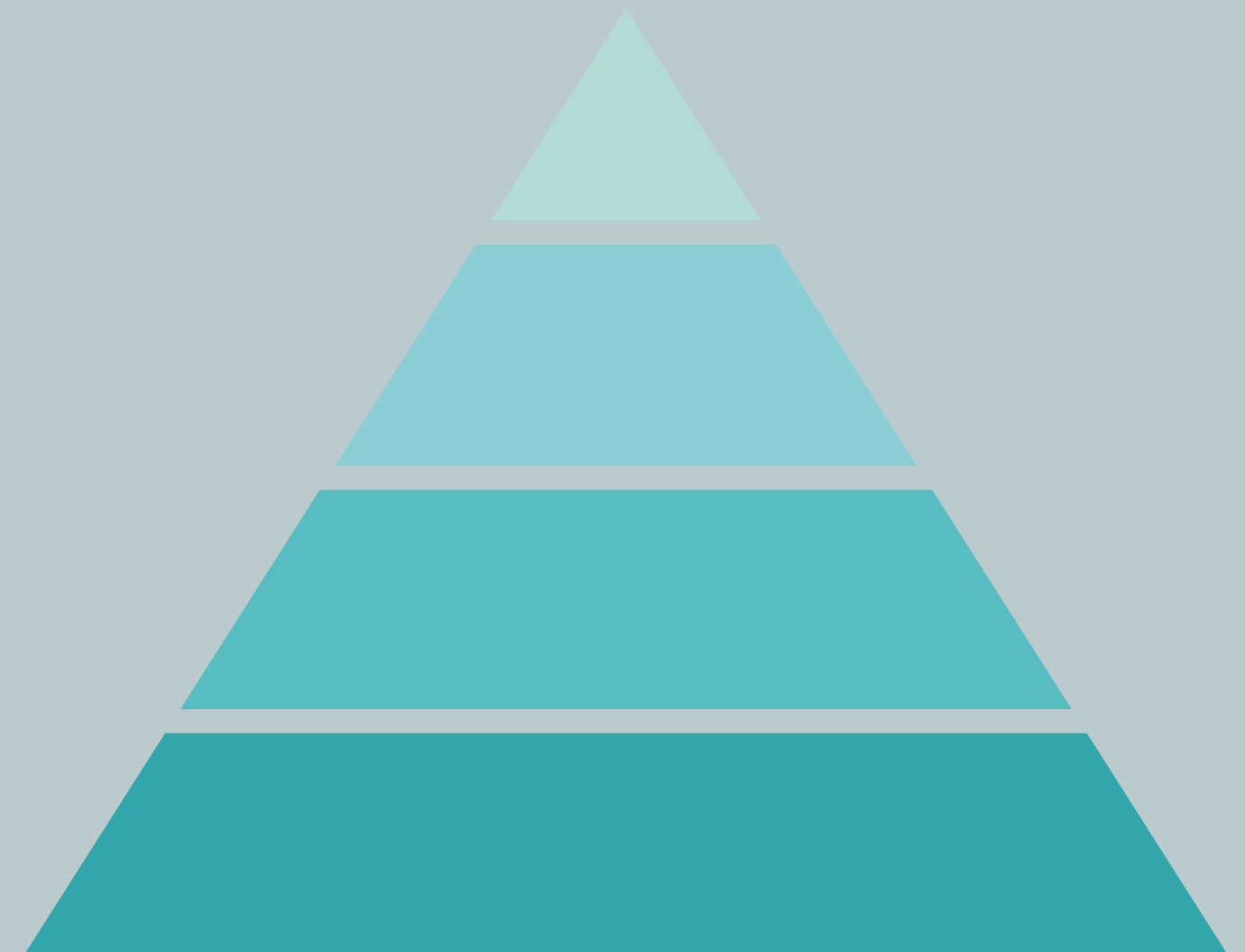
TYPES OF CORPORATE SOCIAL RESPONSIBILITY*

0 Philanthropic responsibility

1
02 Ethical responsibility

03 Legal responsibility

04 Economic responsibility



*based on Carroll's pyramid of CSR (found on J Driver, 2021 <https://selflessly.io/types-of-corporate-social-responsibility/>)

PHILANTHROPIC RESPONSIBILITY

Businesses are expected to give back to their communities.

This is not an obligation or law for most countries.

A company can donate part of the profits
Philanthropic does not always have to be money that is donated: teams can donate time or products.



ETHICAL RESPONSIBILITY

Ethics go beyond a certain region's laws and follow the social or cultural norms of that area.

A company should not just obey the law, but also be willing to do business ethically. Although this is not an obligation for the company, it is in the best interests.



LEGAL RESPONSIBILITY

This defines a company's responsibility to follow all the laws and regulations that apply to the business operations



ECONOMIC RESPONSIBILITY

CSR includes the need to be profitable. The [economic responsibility](#) creates a balance between the next 3: ethical, legal, and philanthropic responsibilities. A company needs to survive in order to support the community. Economic responsibility is overall a positive. We see the negative side to this layer when a company maximizes profits above all other responsibilities.



ENVIRONMENTAL RESPONSIBILITY

(OUT OF typology but also important)

Environmental responsibility is the belief that organizations should behave in as environmentally friendly a way as possible. It's one of the most common forms of CSR.



Social business
and corporate
social
responsibility (CSR)
share several
similarities



SIMILIARITIES

Focus on
social impact

Integration of
environmental
and social
objectives



Stakeholders
engagement



FOCUS ON SOCIAL BUSINESS

Aiming to address societal challenges, such as poverty, inequality, environmental degradation and community development through their business activities and initiatives



STAKEHOLDERS ENGAGEMENT

Importance of engagement with various range of stakeholders, including employees, customers, suppliers, communities, and investors in decision-making processes



INTEGRATION OF ENVIRONMENTAL AND SOCIAL OBJECTIVES

Business success is not solely measured by profitability but also by its contribution to social welfare and environmental sustainability



SIMILIARITIES (II)

Transparency and
accountability

Ethical business
practices

Innovation and
collaboration



TRANSPARENCY AND ACCOUNTABILITY

Open communication about their social and environmental performance, including successes, challenges, and areas for improvement for stakeholders



ETHICAL BUSINESS PRACTICES

Integration of ethical principles such as honesty, fairness, respect for human rights, and legal and regulatory requirements into daily work, and setting positive examples for others.

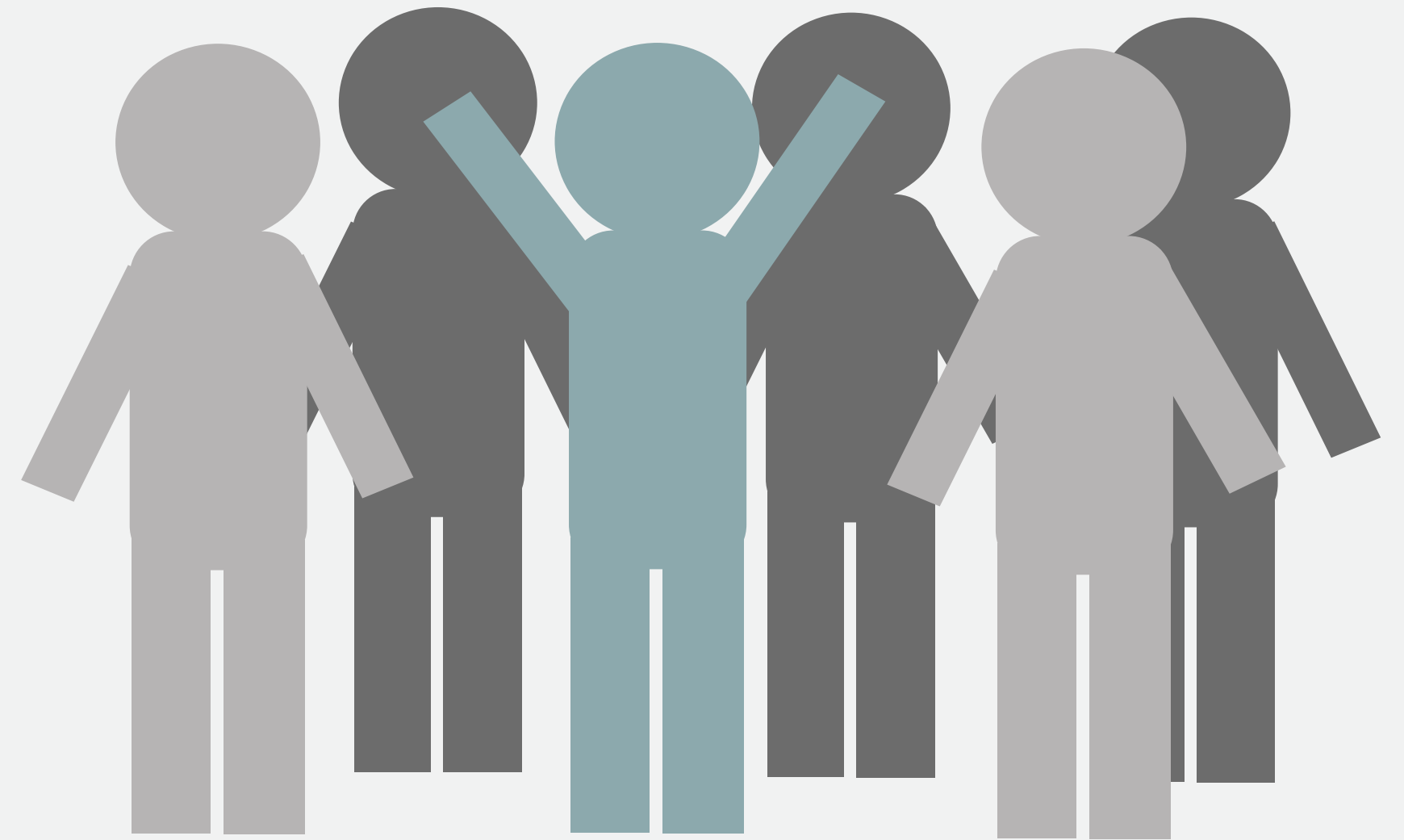


INNOVATION AND COLLABORATION

Encourage innovation and collaboration to address societal and environmental challenges and to develop sustainable solutions that benefit both organization and society



MAIN DIFFERENCES BETWEEN SOCIAL BUSINESS AND CSR



DIFFERENCES

Purpose and core
focus

Business model



Accountability and governance

Ownership and
structure

Long term
sustainability



PURPOSE AND CORE FOCUS

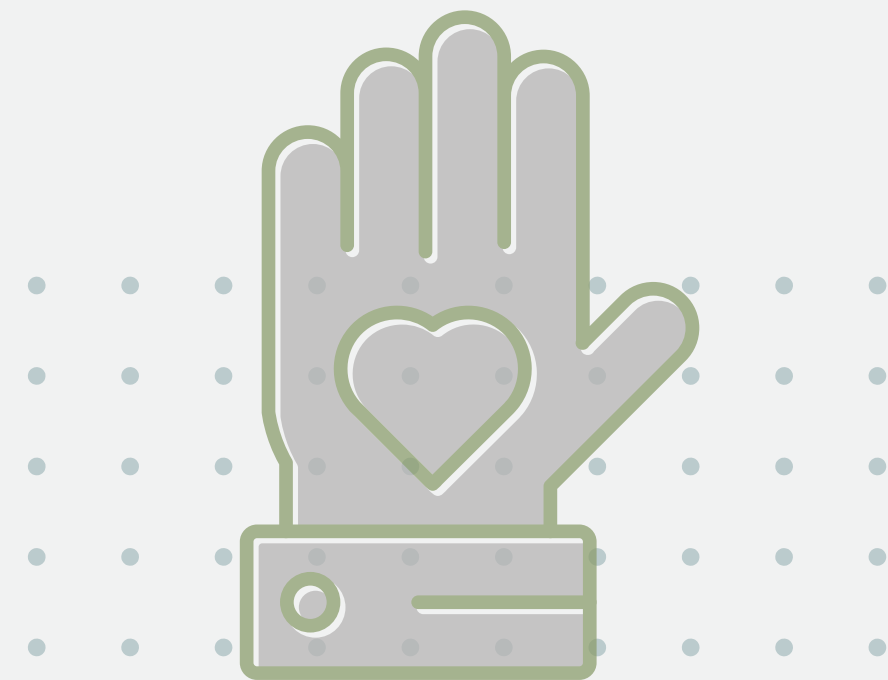
Social business

Designed to address social or environmental issues through its core activities



CSR

Refers to voluntary initiatives and activities that organizations undertake to improve social and environmental outcomes beyond their core business operations



BUSINESS MODEL

CSR

Focused on
maximizing
profitability for
shareholders



BUSINESS MODEL

SOCIAL BUSINESS

Prioritize social
impact over profit
maximization



OWNERSHIP AND STRUCTURE

SOCIAL BUSINESS

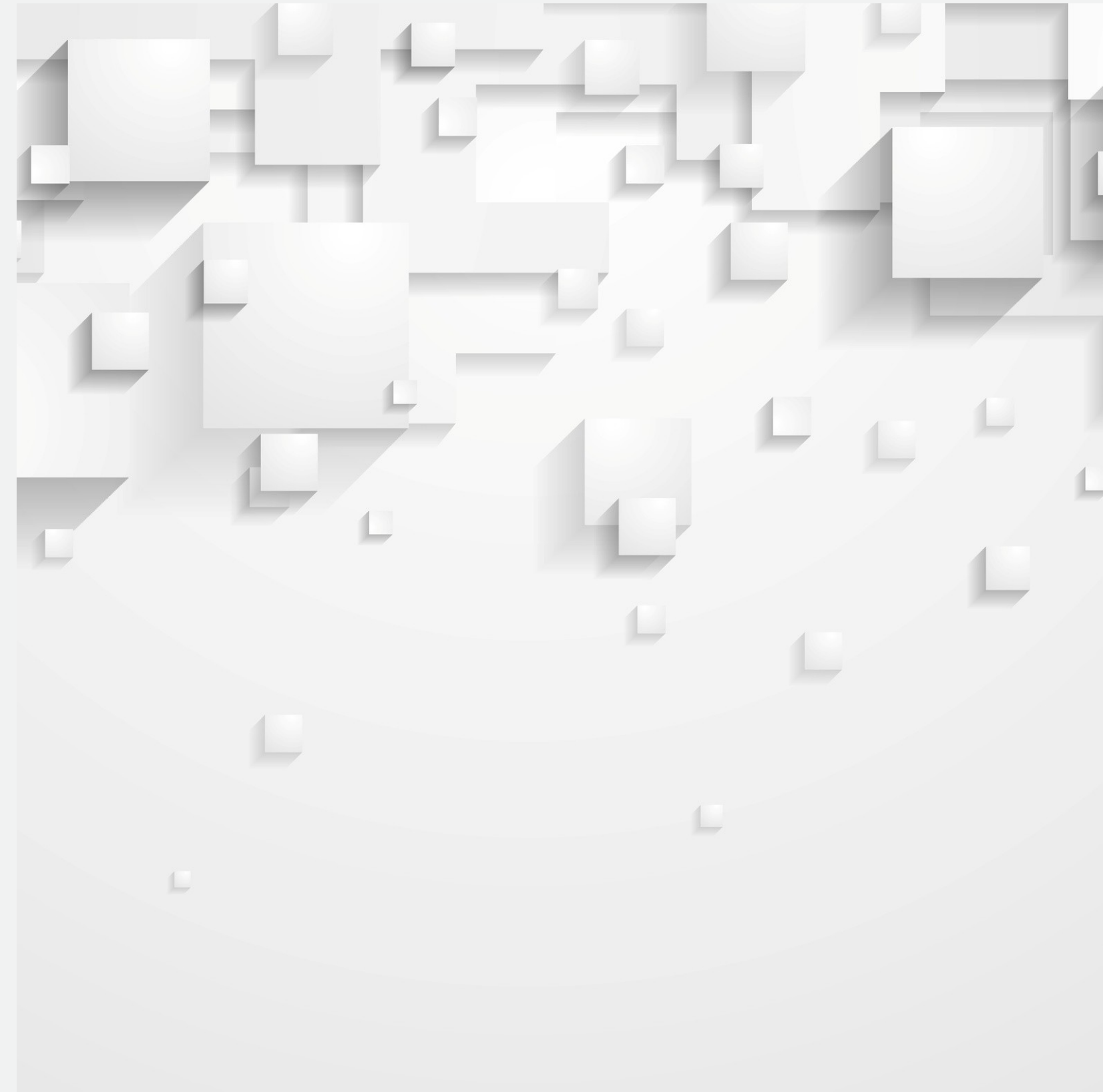
Various legal
structures



OWNERSHIP AND STRUCTURE

CSR

Typically implemented by
corporations



SUSTAINABILITY

Social business
Prioritize long-term
sustainability for
reinvesting profit into
the business



SUSTAINABILITY

CSR

Initiatives may not be financially sustainable in a long term as they are often funded through f.e. donations



ACCOUNTABILITY AND GOVERNANCE

Social business

Accountable for a
broader range of
stakeholders,
including investors,
beneficiaries and the
community.



ACCOUNTABILITY AND GOVERNANCE

CSR

Initiatives are typically governed internally by the leadership



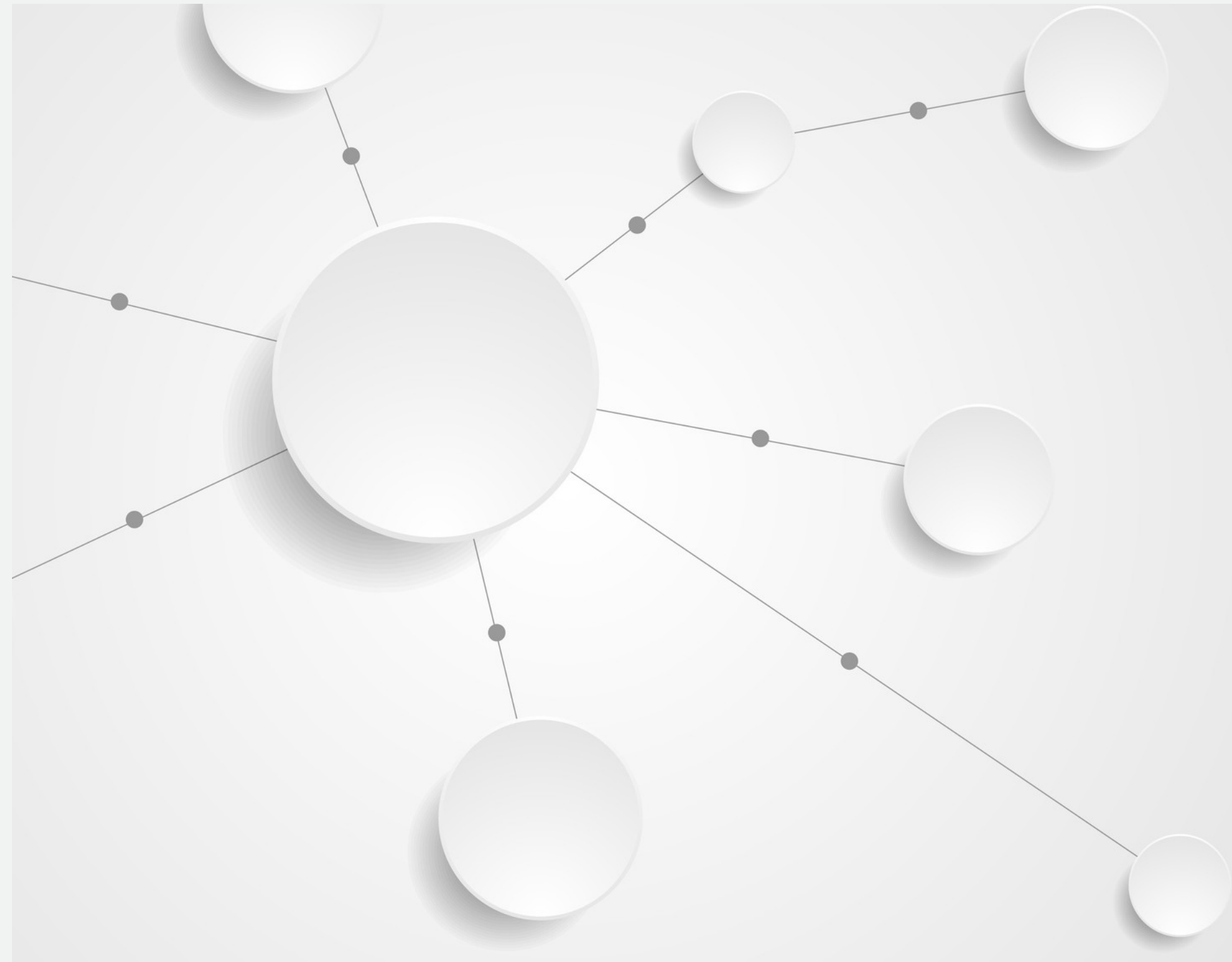
SUMMARY

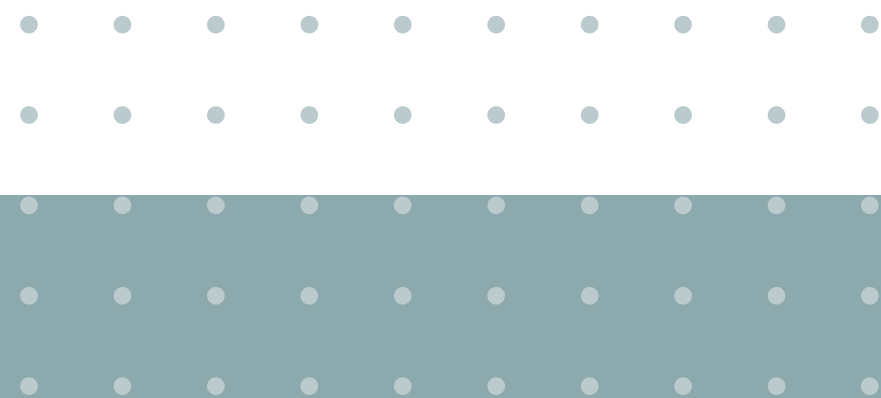
While both social business and corporate socially responsible companies aim to contribute to a social and environmental well-being, they differ in their primary focus, business models, ownership structures, sustainability approaches, and governance mechanisms.



SUMMARY (II)

Social business integrates social impact into its core business model, while CSR involves supplementary initiatives that may or may not be directly linked to the organization's profitability.





THANK YOU

